

**COUNTY OF LOS ANGELES**

MARVIN J. SOUTHARD, D.S.W.  
*Director*

ROBIN KAY, Ph.D.  
*Chief Deputy Director*

RODERICK SHANER, M.D.  
*Medical Director*



**BOARD OF SUPERVISORS**

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**DEPARTMENT OF MENTAL HEALTH**

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601  
Fax: (213) 386-1297

June 23, 2009

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**HEARING ON PUBLISHED CHARGES FOR FISCAL YEAR 2009-10  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval to establish Published Charges for Fiscal Year 2009-10 to comply with Federal Short-Doyle/Medi-Cal Lower of Cost or Charges reimbursement and routine cost requirements.

**IT IS RECOMMENDED THAT YOUR BOARD, AFTER THE PUBLIC HEARING:**

Approve Department of Mental Health's (DMH) proposed Published Charges (Attachment) for Fiscal Year (FY) 2009-10, effective July 1, 2009 to comply with Federal Short-Doyle/Medi-Cal (SD/MC) Lower of Cost or Charges (LCC) reimbursement and routine cost requirements.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Board action is required to ensure that Published Charges are established in compliance with Medi-Cal requirements. The recovery of federal revenues in compliance with State and federal regulations necessitates that Published Charges be established at least annually. Federal requirements stipulate that Published Charges are to be determined at the County level. The recommended Published Charges comply with SD/MC audit requirements.

*"To Enrich Lives Through Effective And Caring Service"*

### **Implementation of Strategic Plan Goals**

The recommended action supports County Strategic Plan Goal 1, "Operational Effectiveness."

### **FISCAL IMPACT/FINANCING**

There is no direct fiscal impact from this action.

Federal LCC audit disallowances will be avoided because of compliance with SD/MC regulations. DMH has not included any charges, which are set by either State or federal agencies, for which it has no jurisdictional rate setting authority. DMH will bill those charges as directed by those authorities.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The Published Charges for FY 2009-10 were developed based on actual cost and statistical data reported in the Annual Cost Report. The cost report data was adjusted by the Federal Home Health Agency Market Basket Index.

In FY 2003-04, the Board approved revised Published Charges permitting DMH to reflect two sets of rates: rates for Medi-Cal and rates for non-Medi-Cal responsible financial parties. The non-Medi-Cal rates include administrative overhead costs for all services that are billed to non-Medi-Cal responsible financial parties. The methodology to calculate the Published Charges to bill Medi-Cal plans remains the same as originally approved by your Board. The rates for Medi-Cal plans do not include administrative overhead costs. Medi-Cal administrative costs are reimbursed through a separate and specific mandated State reimbursement method.

The public hearing notice requirements of Government Code Section 6062 (a) have been satisfied, and public hearing requirements of Government Code Section 66018 will be satisfied by this action.

### **IMPACT ON CURRENT SERVICES**

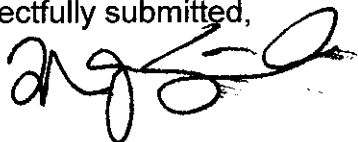
The recommended revised Published Charges for FY 2009-10 will become effective July 1, 2009. Failure to establish new annual Published Charges could result in reduced revenues from non-Medi-Cal, Medi-Cal, and Healthy Families plans due to the use of charges that do not sufficiently reflect actual costs.

Honorable Board of Supervisors  
June 23, 2009  
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**CONCLUSION**

DMH will need one copy of the adopted Board action. DMH requests that the Executive Officer of the Board notify DMH's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'MJS', with a stylized flourish extending from the end.

Marvin J. Southard, D.S.W.  
Director of Mental Health

MJS:LW:RK:rc

Attachment

c: Chief Executive Officer  
Acting County Counsel  
Executive Officer, Board of Supervisors  
Auditor-Controller  
Chairperson, Mental Health Commission

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH  
FISCAL YEAR 2009-10 PUBLISHED CHARGES  
EFFECTIVE JULY 1, 2009

SERVICE DESCRIPTION	MODE	SERVICE FUNCTION CODE	SERVICE UNIT	NON-MEDI-CAL FY 2009-10 RATES	MEDI-CAL FY 2009-10 RATES
Jail Inpatient	5	50-59	Client Day	402.98	N/A
Day Treatment Intensive:					
Half Day (3-4 hours)	10	81-84	Half Day	206.28	185.26
Full Day (more than 4 hours)	10	85-89	Full Day	289.06	259.61
Day Rehabilitation:					
Half Day (3-4 hours)	10	91-94	Half Day	106.52	95.67
Full Day (more than 4 hours)	10	95-99	Full Day	166.29	149.35
Targeted Case Management	15	01-09	Minute	2.75	2.47
Mental Health Services	15	10-59	Minute	3.52	3.16
Medication Support Services	15	60-69	Minute	6.90	6.20
Crisis Intervention	15	70-79	Minute	5.56	4.99
Mental Health Promotion	45	10-19	Staff Hour	141.34	N/A
Community Client Services	45	20-29	Staff Hour	141.34	N/A
Conservatorship:					
Investigation	60	20-29	Staff Hour	128.99	N/A
Administration	60	30-39	Staff Hour	136.19	N/A
Life Support /Board & Care	60	40-49	Day	42.14	N/A
Case Management Support	60	60-69	Staff Hour	144.60	N/A

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April 9, 2009

**LEGAL NOTICE OF HEARING**

TO: Sachi A. Hamai  
Executive Officer, Board of Supervisors

FROM: Marvin J. Southard, D.S.W.  
Director of Mental Health

SUBJECT: **PUBLIC NOTICE OF HEARING ON PROPOSED BILLING RATES FOR FISCAL YEAR 2009-10**

**Publishing**

This matter has been set for public hearing at the regular Board meeting on June 23, 2009. Pursuant to Government Code Section 6062 (a), a notice of this hearing must be published twice in a newspaper, which is published once a week or more often. This first publication must be no later than \_\_\_\_\_, 2009, and the second at least six (6) days thereafter.

Please publish the attached public notice, which has been reviewed and approved by \_\_\_\_\_, Deputy County Counsel, and retain the listings of recommended billing rates for your files.

If you have any questions or require additional information, please contact me, or your staff may contact Lyn Wallensak, Administrative Deputy, at (213) 738-4625.

Attachment

**NOTICE OF HEARING ON PUBLISHED CHARGES FOR  
PATIENT CARE SERVICES**

Notice is hereby given that a public hearing will be held by the Board of Supervisors, establishing proposed rates for Fiscal Year (FY) 2009-10. It is proposed that such rates for FY 2009-10 be effective July 1, 2009.

Said hearing will be held on June 23, 2009, at 9:30 a.m., in the Hearing Room of the Board of Supervisors, Room 381, Kenneth Hahn Hall of Administration, 500 West Temple Street (the corner of Temple Street and Grand Avenue), Los Angeles, California 90012.

The Board of Supervisors will consider and may adopt the Published Charges. Further, notice is given that the Board of Supervisors may continue this hearing from time to time.

Any person wishing to be heard on this matter may appear and make a presentation before the Board of Supervisors, at such time, regarding the proposed Published Charges. Written comments may be sent to the Executive Office of the Board of Supervisors at the above address.

The proposed Published Charges will be on file and available for review at the Clerk of the Board, Room 383, Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012, or at the Department of Mental Health, Accounting Division, 8<sup>th</sup> Floor, 550 South Vermont Avenue, Los Angeles, California 90020, from 8:00 a.m. to 5:00 p.m.

For further information regarding this matter, please telephone the County of Los Angeles, Department of Mental Health, Office of Administrative Deputy at (213) 738-2891.

Si no entiende esta noticia o si necesita mas informacion favor de llamar a este numero (213)738-2891.

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SACHI A. HAMAI  
EXECUTIVE OFFICER  
Board of Supervisors